



CENTRAL INTELLIGENCE AGENCY

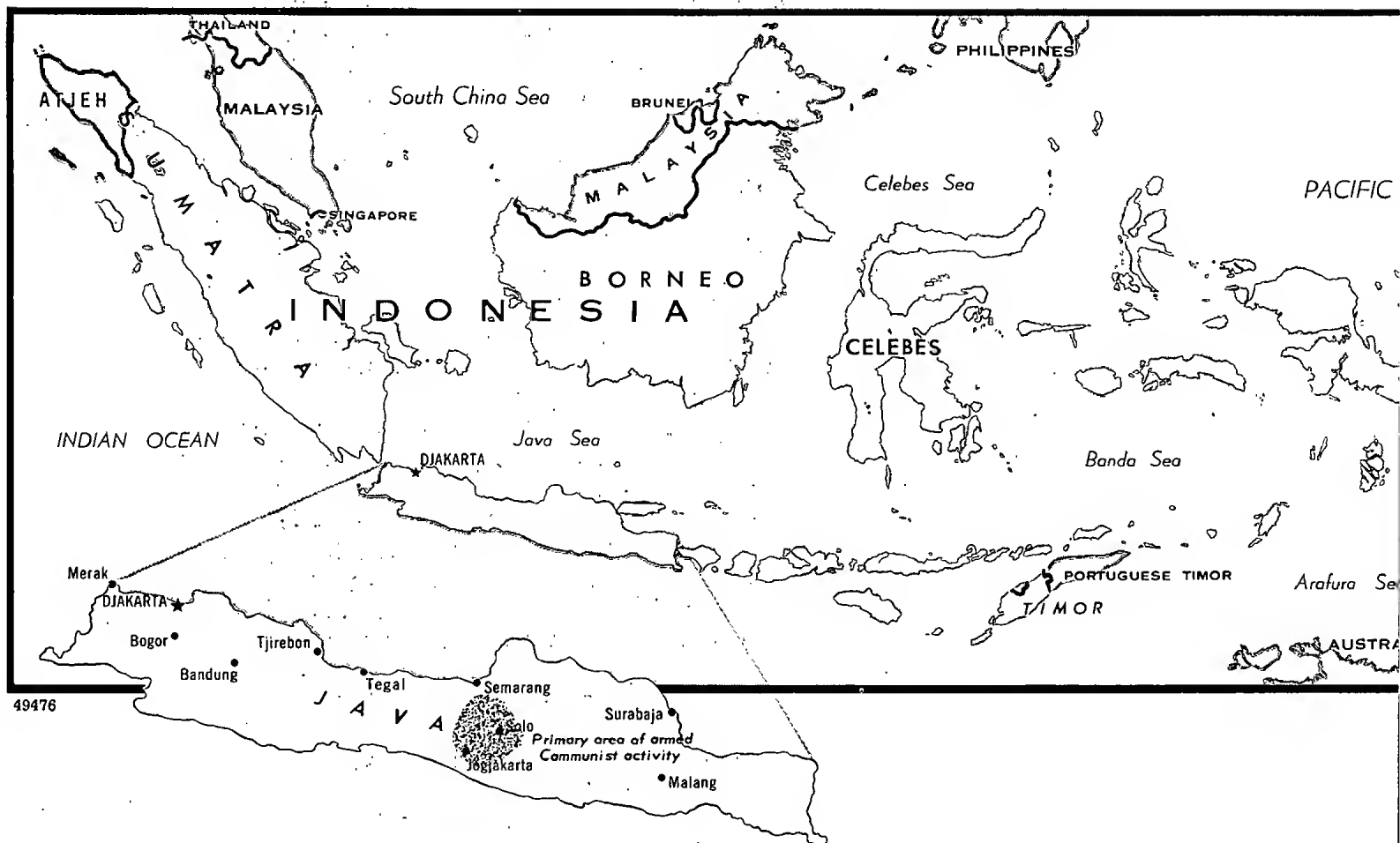
THE PRESIDENT'S DAILY BRIEF



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29 OCTOBER 1965

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DAILY BRIEF
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1. Indonesia

Embassy Djakarta believes that the security situation is continuing to deteriorate in several key areas.

This is said to be particularly true in Central Java where the Communists apparently feel that they must strike before it is too late. The army in turn is worried about the loyalty of its units in the area.

A similar situation obtains in East Java. One problem is that the military commander there has been hesitant to move against the Communists, giving them time to regroup. A number of confirmed reports indicate that tension is also rising in the capital.

In an assessment of the situation, US officials in Djakarta have concluded that because of Communist militancy a new period of violence is likely. They feel, however, that the balance is on the army's side and there is a real chance for an effective move back from the verge of full Communist control.

On the political side meanwhile, the maneuvering by the contending forces continues. Sukarno today finally succeeded in forcing General Sukendro out of the country for several weeks. The army has published a notice reaffirming its intention to control the press.

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2. Communist China

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3. South Vietnam

Premier Ky seems alert to the danger that the rapidly rising cost of living may be effectively exploited by his opponents.

He focused on economic problems during his latest press conference. Some recent governmental actions in this sphere show a few positive effects, but there is little prospect for an early end to the inflation and commodity shortages.

These problems seem to weigh heavy in the persistent restiveness that underlies the outwardly calm political situation. So far there has been no demonstrable substance to the low-level coup rumors again being heard in Saigon.

4. Philippines

It is still unclear whether the explosion of Macapagal's launch was an accident or involved an attempt on the president's life. In any event, with presidential elections set for 9 November the administration will likely capitalize on the incident and play up the latter possibility.

The election itself will probably be a close one. However, all three candidates are Western-oriented and have pledged to maintain close relations with the US.

5. Congo

[redacted] it appears unlikely that the Leopoldville government will expel white military personnel from the Congo in the near future. 50X1

In a statement to the press on Wednesday, General Mobutu said that ouster of the "mercenaries" is out of the question. [redacted] 50X1
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6. Pakistan

Finance Minister Shoaib has told Ambassador McConaughy that there is a growing awareness in the Pakistani Government of the need for a rapprochement with the US. This feeling comes from the realization that the Pakistani Army could not contain another Indian attack, along with the fear that such an attack will come shortly.

Shoaib believes that Ayub would be ready to go to the US "about as soon" as President Johnson would be able to see him. Early December was mentioned as a possible target date.

The Pakistani minister added that Ayub could hardly make the trip unless there was a good prospect that "he could bring something home." Shoaib's remarks indicated that the "something" would involve some US commitment to give firm support to a compromise solution on Kashmir.

7. Dominican Republic

Santo Domingo has been quiet again so far today. The arms collection is proceeding "quietly."

The Inter-American Peace Force has started to reduce its strength in the rebel zone. If all goes well, the US contingent in the zone should be down to two companies with five tanks by 10 November. Latin American contingents plan similar reductions.

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